

ACNC Governance Standards – Do you comply?

'Responsible Person' refers to an individual board, committee or trustee member; know as a 'Responsible Entity' in the *Australian Charities and Not-for-profits Commission Act 2012* (Cth). Both terms have the same meaning.

'Registered Entity' is the charity itself, not the individuals who run it.

Standard 1: Purposes and not-for-profit nature of a registered entity			
Charities must be not-for-profit and work towards their charitable purpose. They must be able to demonstrate this and provide information about their purpose to the public.			
		Yes	No
1.	Is your charitable purpose clearly set out in governing documents (constitution, board charter, rules)?	<input type="checkbox"/>	<input type="checkbox"/>
2.	Has the ACNC recognised your organisation as being for charitable purpose? (If your organisation was previously endorsed by the ATO as a charity before the ACNC commenced on 3 December 2012 it has been automatically registered with the ACNC)	<input type="checkbox"/>	<input type="checkbox"/>
3.	Does your mission statement encompass and line up with your charitable purpose?	<input type="checkbox"/>	<input type="checkbox"/>
4.	Do you have controls in place to ensure all organisation revenue is applied to your charitable purpose?	<input type="checkbox"/>	<input type="checkbox"/>
5.	Do you provide information to your key stakeholders and the public on what your organisation (charity) does and respond to requests for that information?	<input type="checkbox"/>	<input type="checkbox"/>

Standard 2: Accountability to members			
Charities that have members must take reasonable steps to be accountable to their members and provide their members adequate opportunity to raise concerns about how the charity is governed.			
		Yes	No
1.	Is your organisation open and accountable to members/stakeholders?	<input type="checkbox"/>	<input type="checkbox"/>
2.	Do you hold regular (at least annual) meetings with members/stakeholders which provide opportunity for questions and comments on the governance of the organisation?	<input type="checkbox"/>	<input type="checkbox"/>
3.	Do you provide information on your organisation's activities and finances to members/stakeholders?	<input type="checkbox"/>	<input type="checkbox"/>
4.	Do you have a policy or procedure for appointing responsible persons (directors) and is that set out in your board charter?	<input type="checkbox"/>	<input type="checkbox"/>

Standard 3: Compliance with Australian laws

Charities must not commit a serious offence (such as fraud) under any Australian law or breach a law that may result in a penalty of 60 penalty units (currently \$10 200) or more.

		Yes	No
1.	Does your board have a clear understanding of the regulations and laws applying to your organisation?	<input type="checkbox"/>	<input type="checkbox"/>
2.	Do you have financial controls in place to ensure compliance with the law and regulations?	<input type="checkbox"/>	<input type="checkbox"/>
3.	Is there a register of conflicts of interest?	<input type="checkbox"/>	<input type="checkbox"/>
4.	Is there a register of related party transactions?	<input type="checkbox"/>	<input type="checkbox"/>
5.	Do you know what the legislation under which your organisation is incorporated says about conflict of interest and related party transactions?	<input type="checkbox"/>	<input type="checkbox"/>
6.	Do you have processes in place to ensure your organisation is meeting its legal obligations?	<input type="checkbox"/>	<input type="checkbox"/>
7.	Do you have a professional development policy or program in place to ensure the board is kept up to date with current and relevant legal and compliance obligations?	<input type="checkbox"/>	<input type="checkbox"/>

Standard 4: Suitability of responsible persons

Charities must check that their responsible persons (such as board or committee members or trustees – called 'responsible entities' under the ACNC Act) are not disqualified from managing a corporation under the *Corporations Act 2001* (Cth) (the Corporations Act) or disqualified from being a responsible person of a registered charity by the ACNC Commissioner. Charities must take reasonable steps to remove any responsible person who does not meet these requirements.

		Yes	No
1.	Does your board conduct appropriate due diligence of proposed directors, prior to appointment, to ensure the director is not disqualified from acting as a director?	<input type="checkbox"/>	<input type="checkbox"/>
2.	Does your board have processes for checking the ASIC and ACNC registers of disqualified directors against current and proposed board members?	<input type="checkbox"/>	<input type="checkbox"/>
2.	Does your board require all directors to sign a declaration related to disqualifying offences?	<input type="checkbox"/>	<input type="checkbox"/>
3.	Does your board provide directors with a letter of appointment setting out disqualification requirements and how directors will be removed if they are found not to be responsible persons?	<input type="checkbox"/>	<input type="checkbox"/>
4.	If required, do you have a policy in place to ensure all directors and employees comply with working with children (Blue Card) legislation?	<input type="checkbox"/>	<input type="checkbox"/>
5.	Does your board charter stipulate the process to be adopted to remove an unsuitable director?	<input type="checkbox"/>	<input type="checkbox"/>

Standard 5: Duties of responsible persons

Charities must take reasonable steps to make sure that responsible persons understand and carry out the duties set out in this standard.

		Yes	No
1.	Does your board have a robust director induction process which includes instruction on the duties of responsible persons?	<input type="checkbox"/>	<input type="checkbox"/>
2.	Are directors provided with appropriate governance documentation to ensure a thorough understanding of their duties and responsibilities?	<input type="checkbox"/>	<input type="checkbox"/>
3.	Do you have a policy on conflict of interest and related party transactions?	<input type="checkbox"/>	<input type="checkbox"/>
4.	Have directors read and understood the ACNC governance standards?	<input type="checkbox"/>	<input type="checkbox"/>
5.	Do you have a register of professional development, courses and training attended by directors and encourage them to undertake appropriate professional development?	<input type="checkbox"/>	<input type="checkbox"/>
6.	Do you have a board charter containing a code of conduct, expected behaviour of directors and duties and responsibilities of directors?	<input type="checkbox"/>	<input type="checkbox"/>
7.	Do all directors have a signed and acknowledged letter of appointment, clearly setting out their duties, obligations, expectations and protections?	<input type="checkbox"/>	<input type="checkbox"/>

For further information on the ACNC Governance Standards or Effective Governance and its services, contact us on:

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